

**Open Meeting on Health Benefit Exchanges
Washington State Trade and Convention Center
Seattle, Washington**

November 15, 2010

Meeting Summary

Introduction

Doug Porter, Administrator of the Health Care Authority (HCA) and Medicaid Purchasing Administration (MPA), welcomed and thanked the audience and people on the phone for attending the HCA's first open meeting on a Washington State health benefits exchange. The meeting was our first opportunity to bring people together, discuss the Governor's proposed legislation for creating a development board, and listen to the perspectives, insights, and advice from individuals in one setting. He introduced the meeting as the beginning of a conversation that will continue throughout the development of an exchange.

What an exchange is expected to do

Michael Arnis, HCA, described the major functions of an exchange and compared the Health Insurance Partnership (HIP) to the functions of an exchange in the Affordable Care Act.

Discussion with the audience included a request to meet with tribes, perspectives on standardizing benefits and cost-sharing, and a question about whether the HIP could merge into an exchange. The HIP is scheduled to provide assistance for small employer groups through August, 2014. The exchange is scheduled to begin coverage January 1, 2014. The Health Care Authority has expressed to the federal Department of Health and Human Services a desire by Washington State to consider how subsidized small group coverage, like the HIP, could be incorporated into a Washington State exchange.

Proposed 2011 legislation

Jonathan Seib, Office of the Governor, described the need and thought behind proposing the creation of a Development Board for a state-based exchange. The development Board is not designed to govern an exchange. Rather, it would be the first step in planning, designing, and developing an exchange throughout 2011 and 2012. The board would analyze options and make recommendations for further legislation to be proposed in 2012 on how to govern and administer a state-based exchange.

Audience discussion included whether more direction could be provided in the proposed legislation on implementing a state-based (vs. a federal) exchange, whether to develop one or two separate exchanges, whether an exchange should be a market organizer or an active/selective purchaser, and whether a regional exchange is possible.

It was also questioned whether a bill needed to be enacted to develop an exchange and whether a Development Board should be housed in a state agency.

Some in the audience wondered if seven members was the right number for a board that needed to represent the perspectives necessary to make complex recommendations. Another comment expressed a desire that those who would use the exchange should have input into how it was developed.

There was concern that the Development Board would only perform analysis. The HCA clarified that the board would make recommendations and was tasked with developing a business plan.

Key development issues and next steps

Amy Lischko, consultant; Alan Mills, Milliman; and Michael Arnis, HCA, briefly described the seven issue briefs that would encompass the planning and policy analysis funded by the exchange grant. Alan Mills described the design of the market analysis on merging or not merging the risk pools for individual and small group plans; and providing cost information on the federal basic health option. It is not anticipated that the model will have the capacity to provide figures by January 1, 2011.

Discussion centered on efforts by the Commonwealth Connector to cover small businesses and how Massachusetts implemented exemptions from its individual mandate for coverage. Others asked the HCA to account for current and soon-to-be enacted tax policy (that applies to the Washington State health insurance market) in its analysis.

The meeting closed with a request from the HCA to comment on the issue briefs based on the timeline in the presentation. Please send your comments to Michael Arnis at michael.arnis@hca.wa.gov. Also, the HCA asked to be invited to meetings where updates on exchange grant activities could be provided.

Contact

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